



**Santa Barbara County
Air Pollution Control District**

JAN 12 2011

Mr. Gerardo Rios
USEPA - Permits Office (AIR 3)
75 Hawthorne Street
San Francisco, CA 94105

FID: 01325
Permit: AP 13558
SSID: 01325

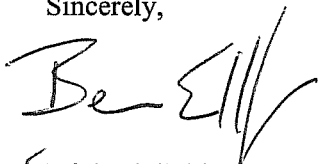
Re: Proposed Minor Permit Modification to Plains Exploration and Production's Gaviota Oil Heating Facility (GOHF) - Part 70/APCD ATC/PTO 13558 - 01

Dear Mr. Rios:

This letter transmits Proposed Minor Permit Modification Authority to Construct/Permit to Operate 13558 - 01 for modifications to Part 70/APCD PTO 5704-R3. Included with the proposed permit is a copy of the application submitted by the applicant for this modification. We plan to issue this minor permit modification as final after February 9, 2011 provided your office has not objected to such issuance during this time interval.

If you have any questions, please contact Jim Menno of my staff at (805) 614-6787.

Sincerely,



for Michael Goldman, Manager
Engineering & Compliance Division

enc: Proposed ATC/PTO 13558 - 01
Application forms for Minor Modification to Plains Exploration and Production's GOHF

cc: GOHF 01325 Project File NC/SC
ECD Chron File
B. Ellenberger (cover letter only)



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and
Part 70 Minor Modification 13558-01

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EQUIPMENT OWNER:

The Point Arguello Companies

220124

EQUIPMENT OPERATOR:

Plains Exploration & Production Company

EQUIPMENT LOCATION:

17100 Calle Mariposa Reina, Goleta

STATIONARY SOURCE/FACILITY:

The Point Arguello Project
Gaviota Oil Heating Facility

SSID: 01325
FID: 01325

AUTHORIZED MODIFICATION:

Use of the M/V Michael Uhl for maintenance on the brine outfall associated with the wastewater plant at the Gaviota Oil Heating Facility. The outfall is located approximately one mile from shore. This permit supersedes ATC/PTO 13558 in its entirety.

EQUIPMENT DESCRIPTION:

The equipment subject to this permit consists of supply boat emissions and miscellaneous internal combustion engines. This equipment is listed in the Permitted Project Equipment Table.

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PROJECT/PROCESS DESCRIPTION:

This project entails performing cleaning and debris removal on the Gaviota Oil Heating Facility (GOHF) brine line outfall which is approximately one mile from shore. This line transports the discharge from the GOHF water plant to the ocean. Accumulated marine growth and debris is causing increased backpressure and removal of the growth requires the use of a marine vessel. The M/V Santa Cruz was permitted for this project under ATC/PTO 13558 but is no longer available. The M/V Michael Uhl will replace the Santa Cruz. The project is anticipated to require two days.

CONDITIONS:

This section lists the applicable permit conditions for the Gaviota Oil Heating Plant. Section A lists the standard administrative conditions. Section B lists 'generic' permit conditions, including emission standards, for all equipment in this permit. Section C lists conditions affecting specific equipment.

Conditions listed in Sections A, B, and C are enforceable by the USEPA, the District, the State of California and the public. Conditions listed in Section D are enforceable only by the District and the State of California. Where any reference contained in Sections 9.A, 9.B, or 9.C refers to any other part of this permit that part of the permit referred to is federally enforceable.

9.A Standard Administrative Conditions

The following federally enforceable administrative permit conditions apply to the Gaviota Oil Heating Facility. In the case of a discrepancy between the wording of a condition and the applicable District rule, the wording of the rule shall control.

- A.1 **Condition Acceptance.** Acceptance of this operating permit by PXP shall be considered as acceptance of all terms, conditions, and limits of this permit. [Re: PTO 5704]
- A.2 **Grounds for Revocation.** Failure to abide by and faithfully comply with this permit shall constitute grounds for the APCO to petition for permit revocation pursuant to California Health & Safety Code Section 42307 *et seq.* [Re: PTO 5704]
- A.3 **Defense of Permit.** PXP agrees, as a condition of the issuance and use of this PTO, to defend at its sole expense any action brought against the District because of issuance of this permit. PXP shall reimburse the District for any and all costs including, but not limited to, court costs and attorney's fees which the District may be required by a court to pay as a result of such action. The District may, at its sole discretion, participate in the defense of any such action, but such participation shall not relieve PXP of its obligation under this condition. The District shall bear its own expenses for its participation in the action. [Re: PTO 5704]

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- A.4 **Reimbursement of Costs.** All reasonable expenses, as defined in District Rule 210, incurred by the District, District contractors, and legal counsel for the activities listed below that follow the issuance of this permit, including but not limited to permit condition implementation, compliance verification and emergency response, directly and necessarily related to enforcement of the permit shall be reimbursed by the permittee as required by Rule 210. Reimbursable activities include work involving: permitting, compliance, CEMS, modeling/AQIA, ambient air monitoring and air toxics. [Re: Rule 210; PTO 5704]
- A.5 **Access to Records and Facilities.** As to any condition that requires for its effective enforcement the inspection of records or facilities by the District or its agents, PXP shall make such records available or provide access to such facilities upon notice from the District. Access shall mean access consistent with California Health and Safety Code Section 41510 and Clean Air Act Section 114A. [Re: PTO 5704]
- A.6 **Compliance.** Nothing contained within this permit shall be construed to allow the violation of any local, State or Federal rule, regulation, ambient air quality standard or air quality increment. [Re: PTO 5704]
- A.7 **Consistency with Analysis.** Operation under this permit shall be conducted consistent with all data, specifications and assumptions included with the application and supplements thereof (as documented in the District's project file) and the District's analyses under which this permit is issued as documented in the permit analyses included in this permit. [Re: PTO 5704]
- A.8 **Consistency with State and Local Permits.** Nothing in this permit shall relax any air pollution control requirement imposed on the Point Arguello Project by:
- (a) The County of Santa Barbara in the *Chevron/Point Arguello Project Final Development Plan No. 85-DP-32-CZ* and any subsequent modifications (including the September 1992 *Ozone Mitigation Agreement for the Point Arguello Project*, the amended September 1992 *Contract for Implementation of Conditions E-4, E-7 and E-9 of the Chevron/Point Arguello Project Preliminary Development Plan No. 83-DP-32-CZ*, and all subsequent amendments or revisions.
 - (b) The District in Authority to Construct 5704, Permit to Operate 5704, and any subsequent modifications to either permit; and
 - (c) The California Coastal Commission in the consistency determination for the Project with the California Coastal Act. [Re: PTO 5704]
- A.9 **Compliance with Department of Interior Permits.** PXP shall comply with all air quality control requirements imposed by the Department of the Interior in the *Development and*

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Production Plan for the GOHF on January 15, 1985 and any subsequent modifications. Such requirements shall be enforceable by the District. [Re: PTO 5704]

A.10 Compliance with Permit Conditions.

- (a) The permittee shall comply with all permit conditions in Sections 9.A, 9.B and 9.C.
- (b) This permit does not convey property rights or exclusive privilege of any sort.
- (c) Any permit noncompliance with sections 9.A, 9.B, or 9.C constitutes a violation of the Clean Air Act and is grounds for enforcement action; for permit termination, revocation and re-issuance, or modification; or for denial of a permit renewal application.
- (d) It shall not be a defense for the permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.
- (e) A pending permit action or notification of anticipated noncompliance does not stay any permit condition.
- (f) Within a reasonable time period, the permittee shall furnish any information requested by the Control Officer, in writing, for the purpose of determining:
 - (i) Compliance with the permit, or
 - (ii) Whether or not cause exists to modify, revoke and reissue, or terminate a permit or for an enforcement action.
- (g) In the event that any condition herein is determined to be in conflict with any other condition contained herein, then, if principles of law do not provide to the contrary, the condition most protective of air quality and public health and safety shall prevail to the extent feasible. [Re: 40 CFR Part 70.6.(a)(6), District Rules 1303.D.1]

A.11 Emergency Provisions. The permittee shall comply with the requirements of the District, Rule 505 (Upset/Breakdown rule) and/or District Rule 1303.F, whichever is applicable to the emergency situation. In order to maintain an affirmative defense under Rule 1303.F, the permittee shall provide the District, in writing, a “notice of emergency” within 2-days of the emergency. The “notice of emergency” shall contain the information/documentation listed in Sections (1) through (5) of Rule 1303.F. [Re: 40 CFR 70.6(g), District Rule 1303.F]

A.12 Compliance Plans.

- (a) The Compliance Plans for the stationary source, submitted by the permittee on application Forms 1302-I (1 & 2) and 1302-J (1 & 2), are a part of this permit.

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- (b) The permittee shall comply with all federally-enforceable requirements that become applicable during the permit term, in a timely manner.
- (c) For all applicable equipment, the permittee shall implement and comply with any specific compliance plan required under any federally-enforceable rules or standards. [*Re: District Rule 1302.D.2*]

A.13 **Right of Entry.** The Regional Administrator of USEPA, the Control Officer, or their authorized representatives, upon the presentation of credentials, shall be permitted to enter upon the premises where a Part 70 Source is located or where records must be kept:

- (a) To inspect the stationary source, including monitoring and control equipment, work practices, operations, and emission-related activity;
- (b) To inspect and duplicate, at reasonable times, records required by this Permit to Operate;
- (c) To sample substances or monitor emissions from the source or assess other parameters to assure compliance with the permit or applicable requirements, at reasonable times. Monitoring of emissions can include source testing. [*Re: District Rule 1303.D.2*]

A.14 **Severability.** In the event that any condition herein is determined to be invalid, all other conditions shall remain in force. [*Re: District Rules 103 and 1303.D.1*]

A.15 **Permit Life.** The Part 70 permit shall become invalid three years from the date of issuance unless a timely and complete renewal application is submitted to the District. Any operation of the source to which this Part 70 permit is issued beyond the expiration date of this Part 70 permit and without a valid Part 70 operating permit (or a complete Part 70 permit renewal application) shall be a violation of the CAAA, § 502(a) and 503(d) and of the District rules.

The permittee shall apply for renewal of the Part 70 permit no later than 180-days before the permit expiration date. Upon submittal of a timely and complete renewal application, the Part 70 permit shall remain in effect until the Control Officer issues or denies the renewal application. [*Re: District Rule 1304.D.1*]

A.16 **Payment of Fees.** The permittee shall reimburse the District for all its Part 70 permit processing and compliance expenses for the stationary source on a timely basis. Failure to reimburse on a timely basis shall be a violation of this permit and of applicable requirements and can result in forfeiture of the Part 70 permit. Operation without a Part 70 permit subjects the source to potential enforcement action by the District and the USEPA pursuant to section 502(a) of the Clean Air Act. [*Re: District Rules 1303.D.1 and 1304.D.11, 40 CFR 70.6(a)(7)*]

A.17 **Prompt Reporting of Deviations.** The permittee shall submit a written report to the District documenting each and every deviation from the requirements of this permit or any applicable

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federal requirements within 7-days after discovery of the violation, but not later than 180 days after the date of occurrence. The report shall clearly document 1) the probable cause and extent of the deviation, 2) equipment involved, 3) the quantity of excess pollutant emissions, if any, and 4) actions taken to correct the deviation. The requirements of this condition shall not apply to deviations reported to District in accordance with Rule 505. Breakdown Conditions, or Rule 1303.F Emergency Provisions. [*District Rule 1303.D.1, 40 CFR 70.6(a) (3)*]

- A.18 **Reporting Requirements/Compliance Certification.** The permittee shall submit compliance certification reports to the USEPA and the Control Officer every six-months. These reports shall be submitted on District forms and shall identify each applicable requirement/condition of the permit, the compliance status with each requirement/condition, whether the compliance was continuous or intermittent, and include detailed information on the occurrence and correction of any deviations from permit requirement. The reporting periods shall be each half of the calendar year, e.g., January through June for the first half of the year. These reports shall be submitted by August 1 and March 1, respectively, each year. Supporting monitoring data shall be submitted in accordance with the "Semi-Annual Compliance Verification Report" condition in section 9.C. The permittee shall include a written statement from the responsible official, which certifies the truth, accuracy, and completeness of the reports. [*Re: District Rules 1303.D.1, 1302.D.3, 1303.2.c*]
- A.19 **Federally-enforceable Conditions.** Each federally-enforceable condition in this permit shall be enforceable by the USEPA and members of the public. None of the conditions in the District-only enforceable section of this permit are federally-enforceable or subject to the public/USEPA review. [*Re: CAAA, § 502(b)(6), 40 CFR 70.6(b)*]
- A.20 **Recordkeeping Requirements.** The permittee shall maintain records of required monitoring information that include the following:
- (a) The date, place as defined in the permit, and time of sampling or measurements;
 - (b) The date(s) analyses were performed;
 - (c) The company or entity that performed the analyses;
 - (d) The analytical techniques or methods used;
 - (e) The results of such analyses; and
 - (f) The operating conditions as existing at the time of sampling or measurement;
- The records (electronic or hard copy), as well as all supporting information including calibration and maintenance records, shall be maintained for a minimum of five (5) years from date of initial entry by the permittee and shall be made available to the District upon request. [*Re: District Rule 1303.D.1.f, 40 CFR 70.6(a)(3)*]
- A.21 **Conditions for Permit Reopening.** The permit shall be reopened and revised for cause under any of the following circumstances:

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- (a) Additional Requirements: If additional applicable requirements (e.g., NSPS or MACT) become applicable to the source which has an unexpired permit term of three (3) or more years, the permit shall be reopened. Such a reopening shall be completed no later than 18 months after promulgation of the applicable requirement. However, no such reopening is required if the effective date of the requirement is later than the date on which the permit is due to expire, unless the original permit or any of its terms and conditions has been extended. All such re-openings shall be initiated only after a 30-day notice of intent to reopen the permit has been provided to the permittee, except that a shorter notice may be given in case of an emergency.
- (b) Inaccurate Permit Provisions: If the District or the USEPA determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emission standards or other terms or conditions of the permit, the permit shall be reopened. Such re-openings shall be made as soon as practicable.
- (c) Applicable Requirement: If the District or the USEPA determines that the permit must be revised or revoked to assure compliance with any applicable requirement including a federally-enforceable requirement, the permit shall be reopened. Such re-openings shall be made as soon as practicable.

Administrative procedures to reopen a permit shall follow the same procedures as apply to initial permit issuance. Re-openings shall affect only those parts of the permit for which cause to reopen exists. If the permit is reopened, and revised, then it will be reissued with the expiration date applicable to the re-opened permit. [Re: 40 CFR 70.7(f), 40 CFR 70.6(a)]

9.B Generic Conditions

The generic conditions listed below apply to all emission units, regardless of their category or emission rates. These conditions are federally enforceable. In the case of a discrepancy between the wording of a condition and the applicable District rule, the wording of the rule shall control.

- B.1. **Circumvention (Rule 301)**. A person shall not build, erect, install, or use any article, machine, equipment or other contrivance, the use of which, without resulting in a reduction in the total release of air contaminants to the atmosphere, reduces or conceals an emission which would otherwise constitute a violation of Division 26 (Air Resources) of the Health and Safety Code of the State of California or of these Rules and Regulations. This Rule shall not apply to cases in which the only violation involved is of Section 41700 of the Health and Safety Code of the State of California, or of District Rule 303. [Re: District Rule 301]

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- B.2. **Visible Emissions (Rule 302).** PXP shall not discharge into the atmosphere from any single source of emission any air contaminants for a period or periods aggregating more than three minutes in any one hour which is:
- (a) As dark or darker in shade as that designated as No. 1 on the Ringelmann Chart, as published by the United States Bureau of Mines, or
 - (b) Of such opacity as to obscure an observer's view to a degree equal to or greater than does smoke described in subsection B.2(a) above.
- B.3. **Nuisance (Rule 303).** No pollutant emissions from any source at PXP shall create nuisance conditions. No operations shall endanger health, safety or comfort, nor shall they damage any property or business. [*Re: District Rule 303*]
- B.4. **PM Concentration - South Zone (Rule 305).** PXP shall not discharge into the atmosphere, from any source, particulate matter in excess of the concentrations listed in Table 305(a) of Rule 305. [*Re: District Rule 305*]
- B.5. **Specific Contaminants (Rule 309).** PXP shall not discharge into the atmosphere from any single source sulfur compounds, hydrogen sulfide, combustion contaminants and carbon monoxide in excess of the standards listed in Sections A, B and G of Rule 309. PXP shall not discharge into the atmosphere from any fuel burning equipment unit, sulfur compounds, nitrogen oxides or combustion contaminants in excess of the standards listed in Section E and F of Rule 309. [*Re: District Rule 309*]
- B.6. **Sulfur Content of Fuels (Rule 311).** PXP shall not burn fuels with a sulfur content in excess of 0.5% (by weight) for liquid fuels and 239 ppmvd or 15 gr/100scf (calculated as H₂S) for gaseous fuels. Compliance with this condition shall be based on continuous monitoring of the fuel gas with H₂S and HHV analyzers, quarterly total sulfur content measurements of the fuel gas using ASTM or other District-approved methods and diesel fuel billing records or other data showing the certified sulfur content for each shipment. [*Re: District Rule 311*]

9.C Requirements and Equipment Specific Conditions

This section contains non-generic federally-enforceable conditions, including emissions and operations limits, monitoring, recordkeeping, and reporting for each specific equipment group. This section may also contain other non-generic conditions. The permit conditions below apply only to the brine line maintenance activity.

- C.1 **Project Activity Termination.** Project termination is defined as the date the maintenance activities on the brine discharge are completed and the Michael Uhl departs from the brine line

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outfall location. PXP shall notify the District within 3-days of the project activity termination date.

- C.2 **Project Emissions Cap.** Actual emissions of NO_x emitted by the vessel internal combustion engines (propulsion, auxiliary and permanently affixed) during this project shall not exceed 10 tons during the duration of project. The duration of the project activity shall not exceed 12 consecutive months.
- C.3 **Project Start-up Notification.** PXP shall notify the District within 2 days after the Michael Uhl has arrived on location at the brine outfall.
- C.4 **Operational Restrictions.**
- a. The equipment authorized for use under this permit is limited to that listed in Attachment A.
 - b. Diesel fuel used by all IC engines shall have a sulfur content no greater than 0.0015 weight percent (15 ppmw).
- C.5 **Fuel Use Monitoring.** Fuel use for the ICEs associated with the Michael Uhl shall be monitored by a dedicated fuel meter. While in transit, fuel use shall be allocated as follows: 94% to the main engines and 6% to the generators. One hundred percent of the fuel use shall be attributed to the generators while onsite. Fuel use for the ICEs not associated with the Michael Uhl shall be based on hours of operation and the emission factors listed in Attachment A.
- C.6 **Project Completion Report.** Within 14-days after completion of the project, PXP shall submit a report to the District which includes:
- a. the start and end dates of all cleaning activity;
 - b. hours of operation each day of each ICE not associated with the Michael Uhl;
 - c. the volume of fuel burned in each engine;
 - d. the total emissions for the project, including supporting emission calculations;
 - e. fuel purchase records or a written statement on the fuel supplier's letterhead signed by an authorized representative of the company confirming that the fuel purchased and used meets the requirements of Permit Condition C.4.b;
 - f. copies of the all PERP certificates.

The project emissions shall be reported in the CVRs for the Point Arguello Project.

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9.D District-Only Conditions

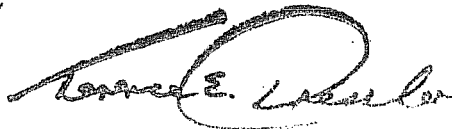
The following section lists permit conditions that are not enforceable by the USEPA or the public. However, these conditions are enforceable by the District and the State of California. These conditions are issued pursuant to District Rule 206 (*Conditional Approval of Authority to Construct or Permit to Operate*), which states that the Control Officer may issue an operating permit subject to specified conditions. Permit conditions have been determined as being necessary for this permit to ensure that operation of the facility complies with all applicable local and state air quality rules, regulations and laws. Failure to comply with any condition specified pursuant to the provisions of Rule 206 shall be a violation of that rule, this permit, as well as any applicable section of the California Health & Safety Code.

- D.1 **Permit Activation.** All aspects of this permit are enforceable by the District and the State of California upon the issuance date stamped below. The Part 70 aspects of this permit are not final until:
- (a) The USEPA has provided written comments to the District and these comments require no modification to this permit. The District will issue a letter stating that this permit is a final Part 70 permit. The effective date that this permit will be considered a final Part 70 permit will be the date stamped on the District's letter.

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- (b) After the USEPA has provided the District written comments that require a modification to this permit, the District will modify this permit to address the USEPA's comments and issue the Part 70 permit as final. The re-issued permit will supersede this permit in its entirety.



AIR POLLUTION CONTROL OFFICER

JAN 12 2011

DATE

Attachments:

- Table 1 - Equipment Operating Data
- Table 2 - Permitted Emissions
- Permit Evaluation for Authority to Construct/Permit to Operate 13558-01

Notes:

- Reevaluation Due Date: November 4, 2011
- Stationary sources are subject to an annual emission fee (see Fee Schedule B-3 of Rule 210).
- This permit supersedes Authority to Construct/Permit to Operate 13558.

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Table 1. Engine Operating Data

Equipment Item	Bhp or MMbtu/hr	Hours	Emission Factors						Units	Basis
			NOx	ROC	CO	SOx	PM	PM10		
Compressor	75	22	5.20	0.40	3.70	0.0055	0.30	0.13	g/Bhp-hr	Perp Cert.
Hydroblaster	230	22	6.90	1.00	8.50	0.0055	1.00	1.00	g/Bhp-hr	Perp Cert.
Jet Pump	57	22	5.20	0.40	3.70	0.0055	0.30	0.13	g/Bhp-hr	Perp Cert.
Dive Compressor	34	22	14.10	1.12	3.00	0.0055	1.00	1.00	g/Bhp-hr	unc. ICE
Dive Compressor	40	22	14.10	1.12	3.00	0.0055	1.00	1.00	g/Bhp-hr	unc. ICE
M/V Michael Uhl Main Engines	800	10	14.10	0.37	1.74	0.0055	0.73	0.73	g/Bhp-hr	unc. ICE
M/V Michael Uhl Generators	226	48	4.50	0.40	2.60	0.0055	1.0	1.0	g/Bhp-hr	contr. ICE
Hot Water Heater	0.42	22	0.98	0.0054	0.824	0.137	0.0075	0.0075	lb/MMbtu	unc. Ext. comb.

Table 2. Project Emission Estimates

Equipment Item	NOx		ROC		CO		SOx		PM		PM10	
	lbs	tons	lbs	tons	lbs	tons	lbs	tons	lbs	tons	lbs	tons
Compressor	18.94	0.01	1.46	0.00	13.48	0.01	0.00	0.00	1.09	0.00	0.47	0.00
Hydroblaster	77.07	0.04	11.17	0.00	94.94	0.05	0.06	0.00	11.17	0.00	11.17	0.01
Jet Pump	14.39	0.01	1.11	0.01	10.24	0.01	0.02	0.00	0.83	0.00	0.36	0.00
Dive Compressor	23.28	0.01	1.85	0.00	4.95	0.00	0.01	0.00	1.65	0.00	1.65	0.00
Dive Compressor	27.39	0.01	2.18	0.00	5.83	0.00	0.01	0.00	1.94	0.00	1.94	0.00
M/V Michael Uhl	249.01	0.12	6.53	0.00	30.73	0.02	0.10	0.00	12.89	0.00	12.89	0.01
M/V Michael Uhl	107.76	0.05	9.58	0.00	62.26	0.03	0.13	0.00	23.95	0.00	23.95	0.01
Hot Water Heater	0.02	0.00	0.00	0.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	517.87	0.26	33.87	0.02	222.45	0.11	0.33	0.00	53.53	0.71	52.44	0.03



**PERMIT EVALUATION FOR
AUTHORITY TO CONSTRUCT/PERMIT TO OPERATE 13558-01
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1.0 BACKGROUND

- 1.1 General: Operations at the GOHF are currently limited to the heating of the crude oil pipelined from Platforms Harvest, Hidalgo and Hermosa. Use of highly purified water in the equipment at the facility is required to maintain these operations. The water purification plant purifies seawater for this purpose and produces brine which is disposed of via a 12" brine line that empties into the Pacific Ocean approximately one mile from the GOHF. Marine growth has accumulated at the outfall of this line and must be cleared which requires marine vessel support and several small internal combustion engines. ATC/PTO 13558 was issued on 11/9/2010 for this project using the Santa Cruz. Due to the subsequent unavailability of the Santa Cruz, PXP arranged for use of the M/V Michael Uhl for the project.

This temporary maintenance activity is estimated to take approximately two days and engine NO_x emissions is limited to 10 tons by this permit. Consequently, the project is exempt from the New Source Review provisions of regulation VIII by the Rule 202.F.8 exemption for marine vessel engines associated with maintenance and repair activities at a stationary source. All engines associated with the vessel were verified to be either propulsion engines, auxiliary engines or permanently affixed support engines. Engines not associated with the vessel that will be utilized during this project are specifically exempt by alternate District rule exemptions as listed in the Project Permitted Equipment table of Attachment A or have been registered under the ARB PERP program.

- 1.2 Permit History: The only recent permit activity at the GOHF is listed below.

PERMIT	FINAL ISSUED	PERMIT DESCRIPTION
ATC/PTO 13558	11/9/2010	Maintenance of Brine Line Outfall Using the Santa Cruz

- 1.3 Compliance History: The there is no current compliance history at this facility related to this project activity.

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2.0 ENGINEERING ANALYSIS

- 2.1 Equipment/Processes: Marine growth on the brine outfall requires the use of hydroblasting equipment to clear the line and relieve the backpressure. This and other support equipment (dive compressor, hot water heater) requires use of a marine vessel as the outfall is approximate one mile offshore. The emissions from this activity are entirely from internal combustion engines.
- 2.2 Emission Controls: The main engines of the Michael Uhl are uncontrolled. The generators are controlled Tier 2 engines.
- 2.3 Emission Factors: Emission factors for each engine are documented in Table 1.
- 2.4 Reasonable Worst Case Emission Scenario: The reasonable worst case-operating scenario is based on the estimated hours of operation of each engine. These are provided in Attachment A.
- 2.5 Emission Calculations: Emission calculations are provided in Table 1.
- 2.6 BACT Analyses: Best Available Control Technology was not required for this project.
- 2.7 Enforceable Operational Limits: The permit has enforceable operating conditions that ensure the actual emissions of any pollutant are limited to 10 tons.
- 2.8 Monitoring, Recordkeeping, and Reporting Requirements: PXP is required to comply with the conditions of this permit that require that the fuel usage and permit emissions be reported following project completion.

3.0 REEVALUATION REVIEW (not applicable)

4.0 REGULATORY REVIEW

- 4.1 Partial List of Applicable Rules: This activity is anticipated to operate in compliance with the following rules:
- Rule 101. Compliance of Existing Facilities
 - Rule 201. Permits Required
 - Rule 202. Exemptions to Rule 201
 - Rule 205. Standards for Granting Permits
 - Rule 302. Visible Emissions
 - Rule 303. Nuisance
 - Rule 309. Specific Contaminants
 - Rule 310. Odorous Organic Sulfides

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- Rule 311. Sulfur Content of Fuels
- Rule 333. Control of Emissions from Reciprocating Internal Combustion Engines
- Rule 505. Breakdown Procedures
- Rule 801. New Source Review
- Rule 802. Nonattainment Review
- Rule 803. Prevention of Significant Deterioration

4.2 Rules Requiring Review:

4.2.1 *Rule 202 - Exemptions to Rule 201:* Section F.8 exempts marine vessel engines (propulsion engines, auxiliary engines and permanently affixed support engines) associated with repair activities at a stationary source provided that the duration does not exceed 12 consecutive months and the potential to emit is less than 10 tons of NO_x, SO_x, ROCs or particulate matter. An owner or operator may qualify for an exemption from Regulation VIII by obtaining an Authority to Construct/Permit to Operate which limits the potential to emit of such equipment to less than 10 tons per year. The ICEs not directly associated with the vessel are exempt per rules 202.F.1.e (compression ignition engines with bhp < 50) and 202.L.16 (portable water heaters used for diving < 1.0 MMbtu/hr).

4.2.2 *Rule 802 - Nonattainment Review:* The District is currently designated nonattainment for the state ozone and PM₁₀ standards. The provisions of this rule apply to ozone precursor pollutants (NO_x and ROC), PM₁₀ and PM₁₀ precursor pollutants (NO_x, ROC and SO_x).

4.3 NEI Calculations: The net emission increase calculation is used to determine whether certain requirements must be applied to a project (e.g., offsets, AQIA, PSD BACT). This project is exempt from the New Source Review provisions of Regulation VIII, and thus there is no increase in NEI.

5.0 **AQIA**

The project is not subject to the Air Quality Impact Analysis requirements of Regulation VIII.

6.0 **OFFSETS/ERCs**

6.1 Offsets: The project is exempt from New Source Review by obtaining a permit and limiting emissions to less than 10 tons per year, therefore offsets are not required since there is no change in NEI.

6.2 ERCs: This activity does not generate emission reduction credits.

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7.0 AIR TOXICS

An air toxics health risk assessment was not performed for this permitting action.

8.0 CEQA / LEAD AGENCY

The District is the lead agency under CEQA for this project, and District CEQA Guidelines have been used. Based on District review of this specific project, it has been determined that the permitting action is exempt from CEQA review because the project consists of maintenance of an existing facility involving no expansion of use beyond that previously existing. The Coastal Commission granted a waiver for the project on October 15, 2010. A copy of this waiver was submitted with the permit application. No other agency approvals are required.

9.0 SCHOOL NOTIFICATION

A school notice pursuant to the requirements of H&SC §42301.6 was not required.

10.0 PUBLIC and AGENCY NOTIFICATION PROCESS/COMMENTS ON DRAFT PERMIT

This repair activity was not subject to public notice. There were no comments on the draft permit.

11.0 FEE DETERMINATION

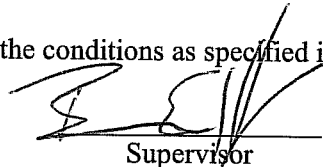
Fees for the District's work efforts are assessed on a reimbursable basis. The project code for this project is 200610.

12.0 RECOMMENDATION

It is recommended that this permit be granted with the conditions as specified in the permit.

J. Menno
AQ Engineer

December 2010
Date


Supervisor

1/6/11
December 2010
Date

13.0 ATTACHMENT

A. Permitted Project Equipment

ATTACHMENT “A”

Permitted Project Equipment

Permitted Project Equipment

Equipment Type	Description	Emission Controls	Operational Status for Project	Permitting Exemptions
Main Engine #1	Detroit Diesel 400 bhp Model: 60	No Controls	In Use	202.F.8
Main Engine #2	Detroit Diesel 400 bhp Model: 60	No Controls	In Use	202.F.8
Generator #1	John Deere Model: MC65C2.25 113 bhp	Controlled (Tier 2)	In Use	202.F.8
Generator #1	John Deere Model: MC65C2.25 113 bhp	Controlled (Tier 2)	In Use	202.F.8
400 cfm Compressor	Isuzu 75 bhp 6SZXL04.3FTA	Uncontrolled (Tier 2)	In Use	CARB PERP
Hydroblaster	Cummins 6CTA-8.3-230 230 bhp	Uncontrolled (Tier 1)	In Use	CARB PERP
Jet Pump	Perkins Model: 1104C44 57 bhp	Uncontrolled (Tier 2)	In Use	CARB PERP
Dive Compressor	Deutz Model: F4L1011 34 bhp	Uncontrolled (Tier 0)	In Use	202.F.1.e
Dive Compressor	Deutz Model: F4L1011 34 bhp	Uncontrolled (Tier 0)	In Use	202.F.1.e
Hot Water Heater	0.42 MMbtu/hr	Uncontrolled (Tier 0)	In Use	202.L.16